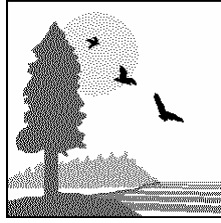


CALIFORNIA STATE LANDS COMMISSION

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December 14, 2004

Mr. Rick Buell, Project Manager
California Energy Commission
Dockets Office
Attn: Dockets 04-IEP-01A
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512

Dear Mr. Buell:

Staff of the California State Lands Commission reviewed the "Notice of Workshop on Petroleum Infrastructure Environmental Performance Report" (Notice), Docket Number 04-IEP-01A (2005 Energy Report – Transportation Energy) and provides the following comments for your consideration.

Notice

The Notice at page 1 indicates that, "The purpose of the report is to assess the environmental trends of the petroleum industry and identify potential environmental and public health concerns from continued or expanded operation of petroleum infrastructure facilities." To what end does the staff intend to apply the information that would be provided in the proposed report?

Attachment B

We suggest amending the second bullet under Key Questions to reflect the language of the above purpose, e.g., What are the historical trends of environmental, and public health and safety concerns with petroleum infrastructure?

At page 2, the second line appears to imply a direct link between expansion and efficiency. Could not efficiency of present facilities be increased without any expansions to existing capacity (ies)?

We suggest that the next to last bullet at the top of page 2 be amended to read, "What information do local, regional, and state agencies need to address environmental concerns associated with future petroleum infrastructure development?"

Description of the Petroleum Industry

The document indicates that baseline data will be aggregated from Northern and Southern California. We suggest that such data will be more useful if it is aggregated by region to reflect existing logistics, e.g., S.F. Bay, San Joaquin Valley and Southern California.

Environmental Attributes

The thrust of the document suggests that "attributes" should be "impacts".

Air Quality

The proposed organization of this data supports the suggestion regarding the aggregation of baseline data in the same regional manner.

The statement regarding greenhouse gas emissions implies an examination beyond those emissions contributed by the petroleum infrastructure itself. Is such the case?

Biological Resources

Pursuant to number 2, is it staff's intent to assess the miles of refined product statewide?

Number 3 should be modified to delete the word "oil". As presently drafted, clean up options for all other substances carried by pipelines, e.g., diesel, jet fuel, gasoline and the like, would not be assessed for their impacts on biological resources.

The word "affect" should be changed to "effects" in number 4.

Is the intent of number 5 to assess regulatory changes affecting refineries or biological resources? In addition, the word "here" should be "have".

See comment with respect to number 4 above with respect to number 6.

Should the word “Biological” precede the word “issues” in number 7?

Environmental Justice

The timeline for the examination of environmental justice issues should be consistent with the stated period of staff's report, i.e., 1985-2003. In addition, the information should also reflect when each component of the relevant petroleum infrastructure was constructed and began operations.

It would be helpful if some bases were provided to indicate how and why the distance of “two miles” in number 1 was selected.

Does the term “community advisories” in number 4 include public alerts for health and safety reasons?

Safety and Hazardous Materials Management

Does the word “release” in the first sentence include “fires”?

The phrase “and availability of petroleum capacity” in number 4 appears to be more related to throughput/supply rather than safety, etc. issues.

Land Use

The discussion of land use should also include, as recommended for the Environmental Justice discussion, information when each component of the relevant petroleum infrastructure was constructed and began operations. For example, was the infrastructure constructed among existing land uses or were “incompatible” land uses allowed after such infrastructure was in place?

Public Health and Toxic Pollutants

Is it more appropriate for relevant portions of this topic to be incorporated into Air Quality, except for land based public health and toxic pollutants that are handled by the DTSC?

In addition, “state” should be capitalized within agency names.

Waste Management and Toxic Site Cleanup

We suggest this section be blended into the above topic if the first comment to the above heading is accepted.

Water Quality and Supply

The examination as inferred from the second paragraph should be done in conjunction with the State Water Resources Control Board and affected regional boards, i.e., San Francisco Bay, San Joaquin Valley and South Coast, and be broken out in the same manner, e.g., by pollutant, and detail as the Air Quality section beginning at page 2 of Attachment B.

Thank you for the opportunity to comment on this Notice. Please contact me at sanderd@slc.ca.gov or by telephone at (916) 574-1880 if you have any questions about or desire further clarification of the above comments.

Sincerely,

Dwight E. Sanders, Chief
Division of Environmental
Planning and Management

Cc: Gary Gregory, Chief, Marine Facilities Division
John Freckman, Marine Facilities Division

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